REMARKS

The examiner is thanked for granting Applicant's representative a personal interview on November 25, 2008 to discuss the pending claims and the cited references.

Rejections under 35 USC §112

Claims 1-20 have been rejected in that the limitation "to operate independently . . ." is not supported in the specification. This limitation has been removed from the independent claims.

Claims 11-20 have been rejected in that the limitation "enabling" is unclear. This limitation has been removed from claim 11.

Rejection under 35 USC §101

Claims 1-10 have been rejected because they are not directed to statutory subject matter. As pointed out in *In re Bilski*, "A claimed process is surely patent-eligible under §101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing" (*Bilski*, II. A.). Applicant submits that the method of claim 1 is not only tied to a particular computer, but also is transforming information into a different state.

Claim 1 requires automating personalization of smart cards by executing a personalization assistant software tool, generating queries, receiving answers, and finally generating a personalization data file using information from the user. Quite clearly, this software is running on a computer, for example, web host 316 of Figure 3; a computer is also shown in Figures 6 and 7. Thus, the claim is tied to a machine.

Claim 1 is also transforming the information received from the user into a different form that may be used to personalize a batch of smart cards. The software tool provides questions to the user and the user answers these questions which are input to the tool. These responses are then matched to output data values which are in turn used to generate a personalization data file. The personalization data file has thus been created from all of the received information and is in a form is suitable for personalizing smart cards. Therefore, answers to questions from a user—which normally cannot be used to personalize a smart card—are transformed into a file that can personalize a smart card. This method involves a real-world interaction with a person using a computer and the creation of a computer data file. Claim 1 is not drawn to an abstract concept, an algorithm, a series of mental steps, or a law of nature

Further, as required by *Bilski* at III. B., the transformation must be central to the purpose of the claimed process. The purpose of claim 1 is to automate personalization of smart cards and the transformation directly addresses that purpose by creating a personalization data file that is suitable for personalizing smart cards.

For all these reasons, it is requested that rejection under §101 be withdrawn.

Rejection under 35 USC §103

Claims 1-20 are rejected under 35 U.S.C. §103 as being unpatentable over *Tushie et al.* (U.S. Pat. No. 6,014,748) in view of *Harms et al.* (U.S Pat. No. 6,070,147), and further in view of *Anderson et al.* (U.S. Pat. No. 5,884,289).

Claims 1 and 11 have been amended to further clarify the limitation of a smart card feature and the process of generating a personalization data file, the file used to personalize a batch of smart cards. An overview of the methods recited in both claims may be described as follows: running a personalization tool on a host computer in order to ask a card issuer questions about the issuer's business and risk management requirements with respect to smart card usage, using the answers to obtain specific output data, and preparing a personalization data file based on the specific output data. The personalization data file—created by asking questions of the card issuer and evaluating the responses—may then be used to personalize the actual smart cards, as in claim 11.

Claims 1 and 11 have been amended to clarify a "smart card feature" and its role in generating a personalization data file. The claims now recite that "a smart card feature is a parameter representing an issuer business requirement dictating smart card usage." Support may be found at pages 5 and 6 of the specification:

> The personalization assistant guides issuers through the decision-making process of selecting their desired debit/credit options. Issuers are requested to respond to a series of business questions. Responses to these questions will be used by the tool to generate a set of debit/credit parameters and values, representing the issuer's business and risk requirements for the debit/credit application. . . . The actual mechanics of capturing the data to be used...will be transparent to the Issuer who is then free to focus on the business/risk management aspects of this process.

Other sections of the specification also support the description of "smart card features" as now recited in the claims. For example, Figures 16 and 17 describe various business requirements and the screen shot in Figure 16 provides: "In addition, you can support optional features based on your market requirements." Page 14 (describing Figure 8) states: " . . . responses to a plurality of queries form business decisions 804, which are provided as input to the personalization assistant 320." In another example, page 31 of the specification states that "the invention provides a user friendly tool that is able to take business related answers to generate technical settings . . . without requiring the understanding of the technical settings."

A smart card feature is a parameter representing a business or risk management requirement or preference of the smart card issuer. The personalization assistant software (item 320 in Figure 3) presents queries to the issuer. An example of this is shown in Figure 31. In this screen shot, the card issuer is presented with seven queries relating to cardholder verification methods (CVM). A user (employee) of the issuer responds to these queries by clicking on a "Yes" or "No" button. Figure 32 shows sample smart card features based on the responses to the queries presented in Figure 31. For example, for "Manual cash and purchase with cashback transactions," a smart card feature is "Signature is required when the device does not support Online PIN." For "Purchase without cashback transactions," a smart card feature is "Offline Enciphered PIN is used if the device supports it." Other examples of queries presented to the issue by the personalization assistant software may be found in Figure 36 ("Making Your Offline Data Authentication Risk Management Decisions") and in Figure 38 ("Defining Your Issuer Authentication Options").

Tushie

With this description of smart card features and related processes in mind, we now turn to the cited references. The primary reference in the §103 rejection is *Tushie*. Although the term "personalization" is used in *Tushie*, its context is entirely different from the context of the claimed invention. The personalization data in *Tushie* does not relate at all to smart card features as determined by a smart card issuer, but rather is directed to basic cardholder data, such as name, account number, expiration date, and so on. This type of basic cardholder data plays no role in the claimed invention. Basic cardholder data is not "a parameter representing an issuer business requirement dictating smart card usage" as required claim 1.

Moreover, even if this personalization data was in some manner analogous to the claimed "smart card features" (which Applicant denies), its creation by querying a user is not disclosed in *Tushie*. Claim 1 specifically requires:

> providing a user with a plurality of queries regarding said smart card features, said queries originating from said software tool; and
>
> receiving from the user, responses to the plurality of queries, said responses being received by said software tool and reflecting smart card features desired by said smart card issuer.

Thus, claim 1 requires determining the smart card features desired by the smart card issuer by querying a user. There is no such querying occurring in *Tushie*. As shown in Figures 1A and 1B of *Tushie* (and as described in *Tushie*), the cardholder data is sent from a database 152 straight to the system 150 and then on to the personalization system 100. This data is not modified or generated by queries; it comes unchanged straight from a database. In other words, the personalization data is simply transmitted from the card issuer and is not changed or modified in any way. (See "Data" from 150 to 100 in Figure 1A and card holder data moved from 152 to 150 to 100 in Figure 1B.) There are no queries presented (to any party) or responses evaluated in order to create the personalization data (let alone smart card features). *Tushie* focuses on taking raw cardholder personalization data (which is actually basic cardholder data) and simply delivering it unchanged to system 100.

Harms

Harms is relied on for disclosing the step of providing a user with a plurality of queries regarding smart card features. *Harms* is not related to the claimed invention. *Harms* relates to administering a loyalty programs (or frequent buyer program) by using a government-issued card (such as a driver license) instead of a special loyalty card; it has nothing to do with personalization of smart cards. (Smart cards are only mentioned once as a future alternative to using a driver license.)

The reference describes how a consumer ("marketing program participant") may key in additional data about the consumer, that is, data that may not be stored on the consumer's card. The consumer may enter data about a particular transaction, the consumer's opinions, the consumer's visits to a particular store, or other information, "as prompted by the prompt queries displayed on the identification terminal." "The prompts may also ask for the price and identity of the product being purchased, if this information is not otherwise received from the cash

register." *Harms*, Col. 5, lines 17-24. The data collected at the terminal through these queries is simply data about the consumer (e.g., driver license number) and is not related or similar to the claimed smart card features. The questions prompted in *Harms* have no relation to the types of business and risk management queries a personalization service provider would ask a smart card issuer.

Claim 1 also requires:

> matching each of said responses with an output data value, said matching being performed by said software tool, each of said output data values representing one of said smart card features and being suitable for personalizing a smart card.

Thus, each response (representing an answer from a human) is matched with an output data value that is suitable for personalizing a smart card. In other words, the output data value is a particular identifier, numeral, symbol or other value that is recognizable by a personalization machine. *Harms* does not disclose any such step.

For these reasons, not only does *Harms* not disclose the cited steps, it would not have been obvious to combine *Harms* with *Tushie* because the art is entirely different. *Tushie* deals with trying to make personalization data suitable for any type of smart card personalization equipment, while *Harms* deals with administering a loyalty marketing program. One of skill in the art trying to personalizing a smart card would not concern themselves with a loyalty marketing program.

Claim 11 includes many of the same limitations as claim 1 and is believed patentable for the same reasons. Furthermore, claim 11 includes the step of personalizing the batch of smart cards using the personalization data file. This personalization data file includes output data values that represent the smart card features desired by the smart card issuer. Because neither reference discloses smart card features and their values obtained by querying a user, this step is not disclosed.

Reconsideration of this application and issuance of a Notice of Allowance at an early date are respectfully requested. If the Examiner believes a telephone conference would in any way expedite prosecution, please do not hesitate to telephone the undersigned at (612) 252-3335.

Respectfully submitted,
BEYER LAW GROUP LLP

/Jonathan O. Scott/

Jonathan O. Scott
Registration No. 39,364

P.O. Box 1687
Cupertino, CA 95015-1687

Telephone: (612) 252-3330
Facsimile: (612) 825-6304